



**MIKE COX**  
ATTORNEY GENERAL

P.O. Box 30212  
LANSING, MICHIGAN 48909

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**Contact:** Allison Pierce  
517-373-8060

## **Settlement Reached Over Charges for Adult Web Site Access** *New Safeguards Aimed at Keeping Kids Off of Adult Sites*

**LANSING** — Acting on approximately 175 consumer complaints, Michigan Attorney General Mike Cox has joined a multi-state settlement requiring adult Web sites change their billing practices to keep children from accessing the sites, announced Cox today.

Consumers claimed they were billed \$4.99 per minute by Alyon Technologies for access to adult Web sites they neither visited nor agreed to purchase. In some cases, clicking on an innocent looking pop-up window triggered the download of adult material. In others, children were exposed to adult sites without parental permission, and parents were later billed.

"This case serves as a reminder to all Michigan parents that we must be vigilant about our children's Internet use," said Cox. "Unauthorized or inadvertent access to adult Web sites can and does occur."

A consent order filed in Ingham County Circuit Court requires Alyon Technologies, Inc., of Secaucus, New Jersey, Telcollect, Inc. of Norcross, Georgia, and Alyon CEO Stephane Touboul to make significant changes to their practices and to pay Michigan and 22 other states \$285,000 to settle claimed violations of state consumer protection laws. The defendants deny all allegations of wrongdoing.

The provisions contained in today's settlement include:

- Improved procedures by Alyon to better ensure that only adults authorized to incur charges are on the other end of the modem before connecting them to adult material or starting the clock on per-minute charges.
- Alyon will provide consumers with a free utility program they can download to remove all modem dialer software deposited by their clients, the adult Web site operators.
- Alyon will require the adult Web site operators to refrain from using potentially deceptive methods to download modem dialer software onto consumers' computers.

- Consumers billed by Alyon for videotext services used on or before June 15, 2003, who disputed the bills with Alyon before January 15, 2004, and did not pay them, will receive credits for the full amount of the bill. Alyon will provide cash refunds to eligible consumers who previously paid disputed Alyon charges and filed a written complaint with the Attorney General by January 15, 2004.
- Consumers billed for charges allegedly incurred before June 15, 2003 who did not pay or dispute the charges with Alyon and who do not qualify for an automatic bill credit will still have an opportunity to request a credit of disputed charges. However, they must follow a procedure for making such a request, which includes returning a completed affidavit to Alyon. Alyon must receive the affidavit no later than 45 days from the date contained on the first bill sent by or on behalf of defendants after entry of the consent order with the Court. The Michigan consent order was filed on January 13, 2004 in Ingham County Circuit Court.

Consumers may find additional information, including affidavits, on the Attorney General's Web site, [www.michigan.gov/ag](http://www.michigan.gov/ag). Consumers may also call the Consumer Protection Division's toll-free number, 1-877-765-8388.